

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1121  
Committee Substitute Favorable 5/8/89

Short Title: Mortgage Ins. Consolidations.

(Public)

Sponsors:

Referred to:

April 10, 1989

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO ADOPT  
3 RULES GOVERNING MORTGAGE INSURANCE CONSOLIDATIONS.

4 The General Assembly of North Carolina enacts:

5 Section 1. Article 2 of Chapter 58 of the General Statutes is amended by  
6 adding a new section to read:

7 "**§ 58-30.7. Rules for mortgage insurance consolidations.**

8 The Commissioner is authorized to adopt rules governing mortgage insurance  
9 consolidations and related rules concerning unfair rate discrimination. In the event the  
10 Commissioner adopts such rules, while such rules are in effect the unfair rate  
11 discrimination provisions of G.S. 58-198 and G.S. 58-54.4(7) will not apply to  
12 mortgage insurance consolidations to the extent those provisions are inconsistent with  
13 such rules. For purposes of this section, 'mortgage insurance consolidation' means any  
14 transaction in which a mortgage loan servicer makes its premium collection services  
15 available to mortgage debtors in connection with an insurer's offer of mortgage  
16 insurance, which offer is made to debtors who, immediately prior to the offer, had  
17 mortgage insurance with another insurer and were paying premiums for that insurance  
18 with their monthly mortgage payments."

19 Sec. 2. This act is effective upon ratification.